

Amendments to the Specification:

Please replace the paragraph that begins at page 9, line 15 and ends at page 10, line 11 with the following amended version of that paragraph:

That terminology now having been established, the selection of the winning prebid in respect of an auction lot might comprise the conduct of at least one knockout calculation within which the prebid threshold would be determined, which would be the highest prebid balance of any remaining prebids in respect of the auction lot. Once the prebid threshold has been calculated, any prebids whose maximum prebid amount was less than the prebid threshold would be removed from further consideration. Also then removed from further consideration would be any flexible prebids whose [[the]] prebid balance was less than the bid threshold and the difference between the prebid balance and the maximum prebid amount of that prebid was less than the preset bid increment for the auction lot in question. Upon the removal from consideration of any flexible or fixed prebids meeting these above criteria, the prebid balance of any remaining flexible prebids would be adjusted by adding the preset bid increment of the auction lot in question thereto. Further knockout calculations would be conducted until only one prebid remained, in which case the remaining prebid would be the winning prebid in respect of the auction lot.

Please replace the paragraph at page 14, line 5 with the following amended version of that paragraph:

[[10.]] 16. merchandise database maintenance component

Please replace the paragraph at page 14, line 6 with the following amended version of that paragraph:

[[11.]] 17. prebid database maintenance component

Please replace the paragraph at page 14, line 7 with the following amended version of that paragraph:

[[12.]] 15. prebid control system

Please replace the paragraph that begins at page 21, line 3 and ends at page 21, line 9 with the following amended version of that paragraph:

The prebid Web site system (2) would also include a merchandise database (6) in which would be stored the particulars of auction lots upon which it was desired to allow bidders to place prebids. The merchandise database (6), as will be outlined in further detail below, could include various descriptive information regarding an auction lot which [[is]] was desired to allow bidders to browse or view through their Web browser (5) in advance of placing a prebid.

Please replace the paragraph that begins at page 22, line 14 and ends at page 23, line 6 with the following amended version of that paragraph:

In operation of the system (2), a bidder would access the prebid Web site system (2) using a standard Web browser (5) such as Microsoft's Internet Explorer™ or Netscape's Navigator™, which uses the HTTP protocol to communicate with the Web server (3) of the Web site system (2). The Web server (3) contains a local store of documents (8) (in the form of HTML or "Web"

documents) which can be requested, retrieved and reviewed by the customer/bidder via the Web browser (5). This catalogue of HTML documents (8) could include various descriptive information regarding auction lots offered for sale in an eventual live auction and would also include documents to be viewed and used in the placement of prebids with the Web site system (2). Through the browser (5), the Web site system (2) and the associated server (3), a bidder would be able to transact prebidding business with the auctioneer.

Please replace the paragraph that begins at page 23, line 8 and ends at page 23, line 14 with the following amended version of that paragraph:

The HTML document (8) served by the Web site system (2) would include particular documents or pages which would be used by bidders to place prebids on auction lots stored in the merchandise database (6). By way of special hyperlinks or otherwise, the particulars of a prebid including the maximum prebid amount could be entered in the browser (5) and transmitted from the browser (5) to the server (3) for recordal in the prebid database (7).

Please replace the paragraph that begins at page 23, line 15 and ends at page 24, line 9 with the following amended version of that paragraph:

A bidder would need to provide identifying information to the Web site system (2) along with the remainder of their prebid in order that the prebid could be properly stored in the prebid database (7) and attributed back to the appropriate bidder at the time of selection of a winning prebid at the

expiry of the specified time frame, and/or at the time of the submission of a winning prebid to the live auction in respect of an auction lot. In one implementation of the prebid Web site system (2), the Web site system (2) might also include a bidder database which would contain details of registered bidders. The bidder database might be managed by a bidder database maintenance component of the computer program (9) in the server (3) which might also then assign some type of an identifier or symbol to each registered bidder which the bidder could use as an abbreviation or identifier in the placement of prebids with the prebid Web site system (2).

Please replace the paragraph that begins at page 24, line 10 and ends at page 25, line 3 with the following amended version of that paragraph:

Since the identity of a bidder is required in order to validate or properly log a prebid submission in the prebid database (7), the bidder would either need to identify themselves in the prebid request which was transmitted to the Web site system (2) from their browser (5), or else the prebid Web site system (2) might utilize cookie technology to allow the bidder to identify themselves from their computer at one point and the cookie would then be stored on the bidder computer (1) and could be retrieved from the bidder computer (1) by the Web server (3) at the time of receipt of a prebid submission and the software (9) within the Web server (3) would execute a query against previously stored bidder information to which the Cookie would correlate. Any of a variety of alternative techniques could be used to identify the bidder, including prompting the

bidder for a user ID and/or using URL information returned by the bidder's Web browser (5).

Please replace the paragraph that begins at page 26, line 5 and ends at page 26, line 12 with the following amended version of that paragraph:

When a bidder accesses the Web site system (2) for the purposes of placing a prebid, the site server (3) would serve HTML documents or other content to the Web browser (5) of the bidder which would allow the bidder to enter the particulars of their prebid, including the maximum prebid amount, and might also display information pertaining to the auction lot from the merchandise database (6) and/or might also include a display of information from the prebid database (7) about previous prebids which had been accepted in respect of the merchandise or auction lot in question.

Please replace the paragraph that begins at page 34, line 3 and ends at page 34, line 11 with the following amended version of that paragraph:

The prebid database (7) would, in one embodiment, be a database structure containing a plurality of records, each record corresponding to a prebid placed by a bidder with respect to an auction lot contained in the merchandise database (6). It will be understood that the structure of the prebid database (7) could be any type of a database or file structure which is accessible to the prebid database maintenance component (17) of the server software (9). Similarly, the prebid database maintenance component (17) could be any software component which

would be capable of accessing and administering the particular database structure chosen for the prebid database (7).

Please replace the paragraph that begins at page 34, line 15 and ends at page 35, line 3 with the following amended version of that paragraph:

The handling of prebids in the Web site system (2) is carried out by a prebid control system component (15) of the software (9) within the server (3) on the Web site system (2). In the embodiment shown, the prebid control system (15) will interface directly or indirectly with the merchandise database (6) and the prebid database (7) for the purposes of receiving, authenticating and recording prebids received from bidder computers (1), as well as for, at the appropriate time, selecting the winning prebid in respect of an auction lot for eventual entry into the live auction of an auction lot.

Please replace the paragraph that begins at page 35, line 15 and ends at page 36, line 5 with the following amended version of that paragraph:

The prebid control system (15) would receive the details of prebids which were transmitted to the Web site system (2) from bidders from their browser (5) at their bidder computer (1). Bidders might transmit their prebid details through an HTML form or other types of HTML, XML or Java page elements or the like, any of which can be contemplated to be effective in the collection of data from a user. It will be understood that many types of data entry methods via the browser can be contemplated and insofar as any method might accomplish the objective of allowing a bidder to enter and transmit the details

of a prebid to the web site system of the present invention, all such modifications and methods are contemplated within the scope of the present invention.

Please replace the paragraph that begins at page 39, line 13 and ends at page 40, line 3 with the following amended version of that paragraph:

FIG. 4 demonstrates the transaction flow in the placement of a prebid in respect of an auction lot using one embodiment of the system of the present invention. The embodiment used in FIG. 4 is an embodiment of the system of the present invention which includes a merchandise database (6) and a prebid database (7), each with their own software management components (16) and (17) respectively. It will be understood that in a very basic embodiment of the invention it may not be necessary to maintain all of this information in the computer system of the Web site system (2) and the obvious variations thereon will be contemplated within the scope of the present invention.

Please replace the paragraph that begins at page 41, line 6 and ends at page 41, line 10 with the following amended version of that paragraph:

The next step in the process is the server (3) receiving the prebid data which had been posted from the browser (5), which is illustrated at Step 4(e). The prebid data which is received is processed by the computer program ~~(10)~~ (9) and logged into, in this case, the prebid database (7) upon validation.

Please replace the paragraph at page 42, line 16 with the following amended version of that paragraph:

Choosing Selection of the Winning Prebid

Please replace the paragraph that begins at page 44, line 10 and ends at page 45, line 4 with the following amended version of that paragraph:

A prebid which is submitted to the Web site system (2) which has only a maximum prebid amount associated therewith and no further parameters specified will be referred to herein as a "fixed prebid". This would be the straight-forward type of a prebid referred to in the example above. The second type of a prebid which is contemplated is a "flexible" prebid, which would include not only a maximum prebid amount, but also a minimum prebid amount. This would allow a bidder to submit an opening prebid (signified by the minimum prebid amount) as well as the highest amount which they are willing to bid (their maximum prebid amount). The system could then automatically increment the flexible prebids within the range defined by their minimum and maximum prebid amounts to effectively conduct an `auction before the auction` to ascertain the highest prebid which would be submitted to the live auction of the auction lot in question. Consider the following sample data, representing a prebidding contest using fixed and flexible prebids:

Please replace the paragraph that begins at page 46, line 13 and ends at page 47, line 6 with the following amended version of that paragraph:

Upon determination of the winning prebid as outlined above, the maximum prebid of the winning prebid would be the

amount which is submitted to the live auction of the auction lot. By and large, it is anticipated that it will be the preferable method approach, since it does provide the maximum possible return to the auctioneer and the vendor of the auction lot, without exceeding the highest bid expectations of the successful prebidder. This is the trade-off which a bidder might be subject to in exchange for the convenience of the flexible prebid. It is, however, alternatively contemplated that in certain cases it might be desired to set the maximum bid amount for the winning prebid to the final prebid balance of that prebid from the last knockout calculation, which potentially is the maximum amount for the winning prebid even though the initially specified maximum bid amount is either at or above the minimum bid amount of the flexible prebid.

Please replace the paragraph that begins at page 47, line 8 and ends at page 47, line 16 with the following amended version of that paragraph:

This type of a calculation system would accommodate various prebid filing patterns wherein every prebid is a flexible prebid, every prebid is a fixed prebid, or alternatively where there is a combination of fixed and flexible prebids filed with respect to an auction lot. A functional extension of the merchandise database (6) might be to specify within the merchandise database (6), with respect to a particular auction lot, the types of prebids which can be made and then the prebid control system ~~+12~~ (15) would only allow, for example, fixed prebids to be filed in respect of an auction lot for which only fixed prebids are desired, and so on.